

TENNESSEE REGULATORY AUTHORITY

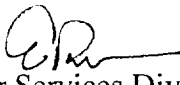
Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

MEMORANDUM

TO: Chairman Sara Kyle
Director Lynn Greer
Director Melvin Malone

FROM: Eddie Roberson 
Chief, Consumer Services Division

DATE: July 13, 2001

SUBJECT: Investigation of Talk.com (Docket No. 01-00216)

At the March 6, 2001 Tennessee Regulatory Authority ("Authority") Conference, the Authority ordered the opening of a docket for the purpose of further investigation to determine whether grounds exist for the initiation of a show cause proceeding against Talk.com for alleged violations of Tenn. Code Ann. §§ 65-4-125, 65-4-404 and Tenn. Rules and Regulations 1220-4-2-.56 and 1220-4-11-.07. The focus of this enforcement action was allegations of slamming and potential violations of the Do Not Call statutes by Talk.com. The Investigative Staff, consisting of Lynn Questell, Lisa Foust, John Conners and myself, is continuing its investigation of Talk.com.

Since March 6, 2001 the Consumer Services Division has received fifty (50) consumer complaints regarding questionable billing practices of Talk.com. The Investigative Staff believes that many of these complaints may violate the cramming section of 65-4-125 and the Tenn. Rules and Regulations 1220-4-2-.58. Due to these additional complaints, the Investigative Staff requests that the subject matter for Docket No. 01-00216 be expanded to include the investigation of these and other cramming complaints.

cc: David Waddell
Richard Collier
Henry Walker, Counsel for Talk.com
Investigative Staff